

RECEIVED**OCT 12 2018****UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA****CLERK, U.S. DISTRICT COURT
ST. PAUL, MINNESOTA**IN THE MATTER OF THE TAX
INDEBTEDNESS OF:Concierge Enterprises, Inc.
8603-86055 Jefferson Highway
Osseo, MN 55369COUNTY OF HENNEPIN
STATE OF MINNESOTA

Case No.

18-MJ-813 DTS

AFFIDAVIT OF REVENUE OFFICER CRYSTAL HOSFIELD

Revenue Officer Crystal Hosfield, having been first duly sworn, states as follows:

1. I am a Revenue Officer employed in the Compliance area of Small Business/Self Employed Operating Division of the Internal Revenue Service, at Bloomington, Minnesota. As a Revenue Officer, I have the duty and authority to collect federal taxes by seizure and sale under the Internal Revenue Code, 26 U.S.C. § 6331.

2. The following assessments of tax, penalty and interest have been made against Concierge Enterprises, Inc. ("Concierge" or "taxpayer"), and with statutory additions the total amount due is \$104,106.53:

Form	Period	Assessment Date	Unpaid Balance of Assessment	Statutory Additions	Total
941	3/31/2011	8/29/2011	\$ 34,610.07	\$21,287.47	\$ 55,897.54
940	12/31/2011	10/8/2012	\$ 30,978.63	\$ 9,768.43	\$ 40,747.06
Civ. Pen.	12/31/2010	12/2/2013	\$ 6,290.90	\$ 1,171.03	\$ 7,461.93

SCANNED**OCT 12 2018**

U.S. DISTRICT COURT S*

ACH

3. Notice and demand was made on the assessment dates listed above pursuant to sections 6201, 6203 and 6303 of the Internal Revenue Code.

4. The taxpayer has neglected or refused to pay the full amount of the tax assessed within 10 days after such notice and demand and this neglect or refusal continues.

5. There is now due, owing and unpaid with respect to such tax, penalty and interest a total amount of \$104,106.53 with statutory additions.

6. By reason of the assessment, a lien has arisen on all property and rights to property of said taxpayer as prescribed by sections 6321 and 6322 of the Internal Revenue Code.

7. By reason of the taxpayer's neglect and failure to pay such tax, penalty and interest within 10 days after notice and demand, a levy may be made on all property and rights to property belonging to the taxpayer or to which the federal tax lien attaches.

8. Notices of intent to levy and your right to hearing, as required by IRC Sections 6330 and 6331(d), were provided to the taxpayer by certified mail on the following dates:

Form	Period	Notice of Intent to Levy & Your Right to a Hearing
941	03/31/2011	9/22/2011
940	12/31/2011	9/4/2014
Civ. Pen.	12/31/2010	9/4/2014

9. Concierge requested collection due process hearings for the above listed periods, and resolved that collection due process hearing by agreeing to an installment agreement for \$8,000 per month. It defaulted on the installment agreement in 2014, stopped operating as business, and transferred its assets to Natural Green, Inc. ("Natural Green"), and also to

Showcase Landscape, Inc. ("Showcase"), notwithstanding the IRS liens.

10. Notice of Federal Tax Lien filings were filed with the Minnesota Secretary of State as set forth below:

Form	Period	Notice of Lien Filing
941	3/31/2011	10/7/2011
940	12/31/2011	10/1/2014
Civ. Pen.	12/31/2010	10/1/2014

11. Concierge was a commercial and residential lawn care and snow removal business, which formed on November 19, 1999, and administratively dissolved on March 14, 2016. It is now defunct. Timothy Pearson was the chief executive officer and 100% owner of Concierge and Steven Hoogenakker was an employee. Steven Hoogenakker was also an employee of Natural Green, another commercial and residential lawn care and snow removal business 100% owned by its chief executive officer Timothy Pearson. Natural Green formed on July 18, 2011, and administratively dissolved on March 14, 2016. It is also now defunct. Steven Hoogenakker is now the 100% owner and chief executive officer of Showcase, another commercial and residential lawn care and snow removal businesses, and Timothy Pearson is its employee. Showcase formed on March 17, 2015, and is currently an active corporation in good standing. Concierge, Natural Green, and Showcase's registered office address with the Minnesota Secretary of State is 8605 Jefferson Hwy, Osseo, MN 55369.

12. Natural Green provided a list of its lawn care and snow removal assets to the Internal Revenue Service on April 30, 2015, which included model numbers and if appropriate, serial numbers and VIN. In that list, it indicated that certain of the assets were received from

Concierge. I also reviewed records from the State of Minnesota showing additional lawn care and snow removal assets titled to Concierge after the above-referenced assessment dates. All of the above-described assets were used as part of the taxpayer's lawn care and snow removal business, as well as Showcase's business, and are identified in **Exhibit A** to this Affidavit.

13. I know of the existence of the above mentioned assets from a field visit to Showcase's premises on June 15, 2018, statements by Mr. Hoogenakker, state records, and from documents provided by Natural Green. The premises contain two commercial buildings, 8603 and 8605 Jefferson Memorial Highway, Osseo, MN and a fenced area shared by the two buildings around the perimeter. Mr. Hoogenakker advised me that Showcase rents both buildings from Jefferson Properties. Mr. Hoogenakker gave me a tour of the building addressed as 8605 Jefferson Memorial Highway and I personally viewed lawn care and snow removal equipment in that building and within the locked fenced area. Mr. Hoogenakker stated that the other building (8603) is used to repair and store more equipment. Mr. Hoogenakker stated that many of Showcase's assets were originally those of Concierge and/or Natural Green. He described himself as a "silent partner" in Concierge and Natural Green and stated that the value of the assets he received from Concierge and Natural Green was approximately \$100,000. On September 16, 2018, I made another site visit to Showcase at 8603 and 8605 Jefferson Hwy, Osseo, MN 55369, and observed lawn care and snow removal equipment is still visible inside the fenced area on the premises.

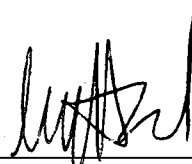
14. The assets the IRS intends to seize are those particular assets identified by Natural Green, Inc. as being assets that it received from Concierge Enterprises, Inc. and assets that were titled in Concierge's name after the above-reference assessment dates assets, which the

IRS discovered through searches of state records. A list of the assets to be seized are set forth in **Exhibit A** to this affidavit.

15. Based on the documents provided by the taxpayer and the information from the state of Minnesota, I estimate the value of the property to be in excess of \$10,000. The estimated costs of this seizure are \$1,200. Seizure of such assets would not be an uneconomical levy.

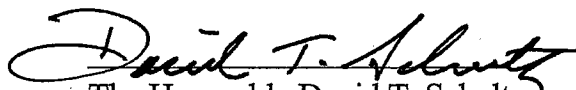
16. Seizure is the only remaining viable solution to collect the amounts owed to the United States. Alternative remedies including third-party levies have not been successful and the taxpayer is defunct and transferred all assets to an employee's new business (either directly or first through Natural Green, Inc.).

17. On June 15, 2018, the IRS requested consent from Showcase Landscape, Inc., for the purpose of levying property to which the tax liens against Concierge Enterprises, Inc., attached under section 6331 of the Code, and was verbally denied consent to enter by Mr. Hoogenakker, the owner of Showcase Landscape, Inc.



Crystal Hosfield
Revenue Officer
Internal Revenue Service

Sworn and subscribed before me
On this the 27th day of September, 2018



The Honorable David T. Schultz
United States Magistrate Judge

Conclerge Assets - EXHIBIT A

18-MS-813 DTS

Taxpayer	Year	Make/Model#	Model	VIN/Serial#	Engine Make	Engine Model#	Engine Serial#	How Known?	TP's Value	Shop #	Other & if Natural Green Identified Asset as Being From Conclerge
1 Conclerge	2003	Chevy	Silverado	1GCUK39G23E158766				State Records			
2 Conclerge	1997	Haulmark	Trailer	16HGB2424VH038654				State Records			
3 Conclerge	2006	Ford	DRW	1FTW333786B61877				State Records			
4 Conclerge	2006	Ford	DRW	1FDXX47Y26ED64389				State Records			
5 Conclerge	2001	Fell	Trailer	5FTEE202211015301				State Records			
6 Conclerge	2004	Pj	Trailer	4D5SCH182942051076				State Records			
7 Natural Green		LZ27LKA604	Exmark Riders	469509	LC Kawasaki	2KAX5-7452CA		TP Provided List	3500	1	Conclerge
8 Natural Green		LZ27KC604	Exmark Riders	378655	23hp Kohler	PA76513	4210204071	TP Provided List	3500	2	Conclerge
9 Natural Green		LZ25KC604	Exmark Riders	227897	25hp Kohler	PA-CH730-3225	4323312721	TP Provided List	3500	3	Conclerge
10 Natural Green		LZ25KC604	Exmark Riders	285400	KOHLER	PA-CH730-0...	3910400781	TP Provided List			Conclerge
11 Natural Green		W55225KAWA	Exmark Riders/Wright Senter & Standards	43247	Kawasaki	FH721V-FS13-S	FH721VB69527	TP Provided List	1200	12	Conclerge/52 in Deck
12 Natural Green		W55223KAWA	Exmark Riders/Wright Senter & Standards	28307	Kawasaki	FH68V-6506-S	FH680VC1391	TP Provided List	1200	13	Conclerge/52 in Deck
13 Natural Green		930323A	Bobcat	9.3032...	Kawasaki	FH500V-DS31-R	FH500VD38279	TP Provided List	1200	14	Conclerge/48 in Deck
14 Natural Green		935330	Bobcat	9.3533...	Kawasaki	FH541V-CS43-R	FH541VB12604	TP Provided List	600	15	Conclerge/48 in Deck
15 Natural Green		74569	Toro	2900000508	Kawasaki	FH680V-6506-S	FH680VC13917	TP Provided List	600	16	Conclerge/66 in Deck
16 Natural Green		30988	Toro	27000128	Kawasaki	FH541V		TP Provided List			Conclerge/52 in Deck
17 Natural Green		Shop Tools						TP Provided List			Conclerge
18 Natural Green		lift table						TP Provided List			Conclerge
19 Natural Green		16lp	brig		leaf vac			TP Provided List			Conclerge
20 Natural Green		sweepster	Kaw		sidewalk			TP Provided List			Conclerge
21 Natural Green		snow buckets			snow			TP Provided List			Conclerge
22 Natural Green		back drags	homemade		snow			TP Provided List			Conclerge
23 Natural Green		bobcat	na		snow			TP Provided List			Conclerge
24 Natural Green		40" aerator			turf			TP Provided List			Conclerge
25 Natural Green		60" aerator			turf			TP Provided List			Conclerge